



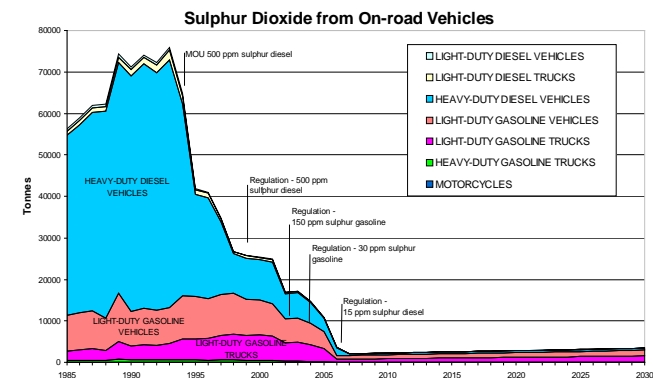
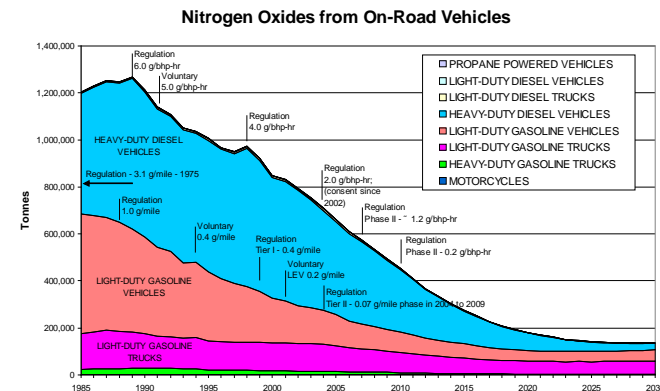
# Canadian Situation

---

MAC Summit  
March 2005

## Canadian Government has followed a policy of alignment with US national environmental standards where appropriate

- Standards often implemented through voluntary agreements
- Followed by regulations
  - On-road vehicle standards in place
  - Off-road Tier 3 in place, to be followed by Tier 4
  - Gasoline and diesel sulphur regulations also in place
  - Marine SI and recreational vehicles to come
- Actual and expected emission reductions dramatic





## The development of European and California environmental standards followed with interest

---

- California regulations helped in the initiation of Canadian national discussions on vehicle emissions reductions in mid 90's
- California and European fuel regulations allowed Canada to follow, and in one case, slightly precede federal US regulations
- The European agreement on CO2 reductions an inspiration
- Minister Dion and Lapierre's visit to California indicate the level of interest they have in California's GHG experience



## GHG reductions from vehicles an important issue for Canada

---

- Canada an important vehicle manufacturing centre
  - 12% of manufacturing GDP, 171,300 direct jobs, 2.5 million vehicles produced, 16% of total NAFTA output, \$96.8 billion in shipments (vehicles, parts), 23 passenger/commercial assembly plants, supply base of 895 parts plants
- Canada a signatory to the Kyoto protocol now in force – requires 6% reduction from 1990 levels in Canada
- Transportation the largest sectoral contributor to GHGs at approximately 25% of the total & growing rapidly
- MACs significant and also growing rapidly
- Canada's plan to reduce GHGs includes reductions from vehicle operation and,
- the use of less carbon intensive fuels, increased public transportation, and better integration of different transportation modes



## Canadian government in discussions with automobile manufacturers to reduce GHGs

---

- Discussions have been “intense” and at the highest levels
- Government has expressed a strong desire for a voluntary agreement (an approach that had success in Europe)
- Its goal is a 5.2 MT reduction of GHGs by 2010